

Consultation, from previous page

now. We are keeping the lines of communication open between the various tribes, the FHWA and the DOT. It is a very respectful approach to all the tribes who have a history in Iowa."

Another very important aspect was emphasized at the summit and workshop. Each Indian tribe is a sovereign nation. No tribe speaks for any other. That was a concept the DOT and FHWA wrestled with at the beginning of the process.

Kennedy said, "At the beginning I envisioned there being a single agreement that the Indian Advisory Council signs and everyone is covered. It became very clear to me early on that one-size-fits-all doesn't work for all tribes. There is not a single voice for all tribes. We need to work with each tribe separately."

Thompson explained, "Some of the tribes are just happy to be notified of what projects are planned; others want to be more involved. It just depends on the individual tribe and its leadership at the time."

Since tribal leadership changes, the DOT and FHWA now have a plan to contact each tribe every two years to ensure project interest levels have not changed.

Maria Pearson, chairman of the Governor's Indian Advisory Council and a consultant to the DOT, said, "The DOT needs to have a sense of the different tribes. One doesn't speak for another. When all the tribes get together — you have to see the whole picture, not just the small details. It goes without question that Iowa is first in the nation in the process of dealing with tribal people. Still, there is a lack of understanding between the agency and the tribal people. There are very intricate relationships within the tribes that the DOT needs to understand."

Freight rail changes

Changes in the rail industry since deregulation in the 1980s have had a significant impact on Iowa railroads. Major changes include consolidation of railroad ownership, fewer miles of track and a new, larger standard size for many rail cars.

According to Peggy Baer, director of the Office of Rail Transportation, emphasis on improving the financial health of the railroads has resulted in the abandonment of many miles of track. Lines whose revenues did not cover the cost of maintaining and upgrading the line were abandoned. Although this eliminated many lesser-used routes, the cost effectiveness of rail transportation continues to benefit Iowa shippers.

The cost per ton-mile declined from 2.64 cents in 1985 to 1.53 cents in 2000 in current dollars. On average, it costs 42 percent less per ton-mile to move freight by rail now than in 1985.

These cost savings stem from many sources including automation, employee reductions, and consolidation of the rail companies. Shippers are now using 286,000-pound rail cars, an increase of 23,000 pounds from the previous standard of 263,000-pound cars. Longer trains of 100 cars or more are also now becoming the norm. These changes were put in place to strengthen the bottom line of the railroads, which are private companies in business to make money for their stockholders.

Tom Miller is the grain department manager of the Farnhamville Co-op and a member of the Rail Shippers Advisory Committee. He says the changes are making shippers more efficient as well. "We load fewer cars than we used to because the larger cars hold more. The railroads are able to use technology to communicate with shippers so the cars arrive on a more timely basis. In the past cars could arrive four or five days later than expected. Now we can count on them within 24 hours of the anticipated arrival."

While these larger cars and longer trains offer an economical way to ship goods, much of Iowa's rail infrastructure is not equipped to handle the additional weight. The cost to upgrade these tracks may be prohibitive for all but the most productive lines.

A recent report prepared by the Office of Rail Transportation says it will take 30 years for the smaller Class II and Class III railroads to upgrade their lines to handle heavier axle cars. The railroads' inability to fund these improvements internally may result in a loss of rail service that increases transportation costs to the shippers, increases highway maintenance expenses, and reduces opportunities for economic development in some areas.

Craig O'Riley of the Office of Systems Planning says, "The smaller railroads are going to struggle to keep up with the infrastructure needs. Even the larger railroads struggle with their branch lines. If a branch line can't generate enough money to provide an adequate return to justify the investment in infrastructure, then that branch line is essentially in the same shape as the smaller railroads. The railroad isn't going to invest in a branch line when there is little return on the investment."

Although some areas of the state are seeing rail transportation decline, emerging markets are now available on the rail system. Miller explained, "With fewer trains on the line, railroads can provide a quicker turnaround. We can get a shuttle train with 100 cars to west Texas from Farnhamville and back in six days. This opens up markets that were never available to us before."

Changes in Iowa's rail system will continue. These changes will have a significant impact on our state's freight transportation, but with all things considered, Iowa railroads continue to provide a cost-effective transportation system, improving the competitiveness of Iowa businesses.